

CORRECTED FISCAL NOTE

SB 2673 - HB 2670

February 18, 2008

SUMMARY OF BILL: Authorizes the TWRA to issue free sport hunting and fishing licenses to Tennesseans who are 100% disabled and receive social security disability benefits.

ESTIMATED FISCAL IMPACT:

On February 1, 2008, we issued a fiscal note indicating a *decrease in state revenue of \$65,700 to the Wildlife Resources Fund and an other fiscal impact indicating a decrease in federal revenue to the state Wildlife Resources Fund of \$11,200*. Based on additional information, the estimated fiscal impact of the bill is:

(CORRECTED)

Decrease State Revenue –

\$42,100/ Net Impact/Wildlife Resources Fund/FY08-09

\$54,500/Wildlife Resources Fund/FY09-10 and Thereafter

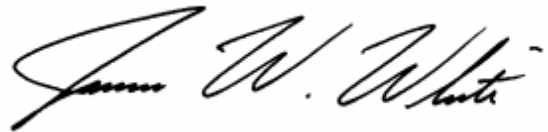
Assumptions:

- Despite the language of the bill, which indicates that the license will be free, the language found in Tenn. Code Ann. § 70-2-104(d)(2) would require a one-time \$10 fee for such license. In subsequent years, there would be no such fee. The purpose of such fee is to allow the TWRA to draw down federal funds for each license sold. As a result, there will be no decrease in federal revenue to the state associated with the bill.
- The number of 100% disabled individuals in Tennessee between the ages of 13 and 64 is estimated to be 127,741.
- Approximately 9.7% of Tennessee residents purchase a sport hunting and fishing license.
- The number of individuals qualifying for a free license is estimated to be 12,391 ($127,741 \times 9.7\% = 12,391$).
- Only 10% of those who qualify would obtain the license. Therefore, the number actually receiving a free license is estimated to be 1,239 ($12,391 \times 10\% = 1,239$).

- A one-time increase in state revenue of approximately \$12,400 for each license sold ($1,239 \times \$10 = \$12,390$). Such increase would occur in FY08-09.
- The average price of a resident license is approximately \$44.00.
- The decrease in state revenue resulting from decreased license sales is estimated to be approximately \$54,500 ($1,239 \times \$44.00 = \$54,516$).
- The net decrease in state revenue for FY08-09 is estimated to be approximately \$42,100 ($\$54,500 - \$12,400 = \$42,100$).
- The recurring decrease in state revenue for FY 09-10 and thereafter is estimated to be approximately \$54,500 ($1,239 \times \$44.00 = \$54,516$).
- The vast majority of those qualifying individuals wishing to obtain the discounted license will purchase the license in the first year offered. Any increase or decrease in state revenue to the Wildlife Resources Fund in subsequent years due to additional license sales under the provisions of this bill are estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/cce